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TRADE AND DEVELOPMENT BOARD

Eighteenth session

SUMMARY RECORD OF THE 499th MEETING

Held at the Palais des Nations, Geneva,
on Thursday, 31 August 1978, at 11.15 a.m.

President: Mr. CASTELLANOS (Venezuela)

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Organization of work

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The meeting was called to order at 12.10 p.m.

OTHER PARTICULAR MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT (agenda item 6):

(c) PROGRESS IN THE IMPLEMENTATION OF:

(i) SPECIAL MEASURES IN FAVOUR OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES (TD/B/691 and Add.1, TD/B/719; E/1978/86, Parts I and II

(ii) SPECIFIC ACTION RELATED TO THE PARTICULAR NEEDS AND PROBLEMS OF DEVELOPING ISLAND COUNTRIES (TD/B/697; TD/B/AC.24/2)

(iii) SPECIFIC ACTION RELATED TO THE PARTICULAR NEEDS AND PROBLEMS OF LANDLOCKED DEVELOPING COUNTRIES (TD/B/705; E/1979/87 Parts I and II)

1. Mr. PANT (Special Programme for Least Developed, Landlocked and Island Developing Countries) introducing agenda item 6 (c), said that although the third of the reports before the Board on the subject of the least developed among the developing countries (E/1978/86, Parts I and II) indicated some progress in the implementation of special measures in favour of that group of countries, their overall economic position remained exceptionally bleak. The growth in their real per capita GDP had declined in the 1970s, as compared with the 1960s, the average annual rate of growth being only 0.6 per cent, as against a growth performance for all developing countries over the same period of 2.7 per cent per capita - itself a low figure - which meant that the income gap between the least developed and other developing countries was continuing to widen.

2. The increase in concessional financial flows over the period had been offset by lower export receipts so that the foreign exchange resources of the least developed in real per capita terms had remained almost unchanged between 1966 and 1976. In an attempt to improve their foreign trade situation, UNCTAD planned to convene an ad hoc group of experts in November 1978 to consider innovative approaches and new policy measures to increase exports and examine the possibility of cheaper imports.

3. A special meeting of representatives of multilateral and bilateral financial and technical assistance institutions with representatives of the least developed countries, held at Geneva from 31 October to 8 November 1977, had carried out a general review of the requirements of the least developed countries, and its recommendations were set out under several headings in document TD/B/691 (pp. 19 et seq).

4. The second session of the Intergovernmental Group on the Least Developed Countries, held from 17 to 28 July 1978, noted in its resolution 4(II) the precarious condition of the economies of the least developed countries (TD/B/719, annex I) and recommended that consideration be given at the fifth session of the Conference to launching urgently a substantial new action programme for the 1980s. The Secretary-General of UNCTAD was requested to prepare outline proposals, and also to undertake studies to improve the strategy for speeding up the development of the least developed countries during the 1980s, as part of the preparations for the Third United Nations Development Decade. He was further requested to convene, late in 1979, a high level expert group to make detailed recommendations for a new programme of special measures on the basis of those studies.

5. The Intergovernmental Group had also recommended that another special meeting between financial and technical assistance institutions and representatives of the least developed countries should be held after the fifth session of the Conference, and that the Intergovernmental Group itself should be reconvened within the forthcoming three years with the terms of reference laid down in Board resolution 113 (XIV).

6. The Board might wish to consider all the recommendations made in documents TD/B/C.5/61 and TD/B/719.

7. Turning to agenda item 6 (a) (ii), he drew attention to the report of the meeting of the Group of Experts on Ferries and Inter-Island Services by Air or Sea for Island Developing Countries held in October 1977 (TD/B/C.5/7). The Group had paid special attention to the problems of small, remote islands. It had felt that the technical problems of inter-island transport were not particularly difficult, but funds and information about sources of capital were needed in order to acquire means of transport and infrastructure. Careful consideration should be given to the forms of support to be provided to outer islands and the requirements for transport services. The Group had recommended that UNCTAD and other agencies concerned should be prepared to offer technical assistance on those questions and had called for regional seminars on the subject.

8. With regard to agenda item 6 (a) (iii), the Board had before it two reports. It might wish to take note of the second - a study on the possibility of obtaining more favourable ocean freight rates for landlocked developing countries (TD/B/706), and to draw the attention of the Governments concerned to it.

9. At the pledging conference for the Special Fund for Landlocked Developing Countries, held on 2 November 1977, the Governments of 10 countries had announced pledges totalling $105,000, to which Saudi Arabia had subsequently added $250,000. The General Assembly had authorized UNDP, in collaboration with UNCTAD, to make interim arrangements for implementing the purposes of the Fund until it became operational. The Administrator of UNDP had been authorized by the Governing Council to appraise and approve requests for assistance, in consultation with the Secretary-General of UNCTAD. The Governing Council had also endorsed the proposal that a further pledging conference for the Fund should be held concurrently with the UNDP pledging conference for 1978.

10. In accordance with UNCTAD resolution 98 (IV), the secretariat had initiated, with funding from UNDP, pilot studies of existing cost structures for different transit corridors in Africa and Asia. Finally, UNCTAD's technical co-operation programme for all the groups of countries concerned had expanded considerably, and further resources were being sought to meet the growing needs. Among other things, between 1975 and 1977, UNCTAD had carried out exploratory missions to 24 least developed countries under a UNDP-financed programme and was at present supporting a number of technical co-operation projects at the national, sub-regional, regional and inter-regional levels.

11. Mr. EDWARDS (Inter-Governmental Maritime Consultative Organization), speaking at the invitation of the President, said in regard to agenda item 4 (e) (ii) that IMCO welcomed the opportunity to co-operate with UNCTAD in the study of air and sea transport services for island developing countries. The IMCO secretariat had released one of its expert staff members to serve in the Group of Experts in a personal capacity. He drew the Board's attention to the paper entitled "IMCO services of interest to island developing countries" (TD/B/AC.24/2).

12. IMCO played an active role in helping developing countries to obtain the knowledge and training necessary to develop and operate their shipping services in a safe and efficient manner and to protect their marine environment. Over the past few years it had furnished technical assistance and carried out numerous missions to developing islands, particularly to remote islands in the Atlantic, the Caribbean, the Indian Ocean and the Pacific. It would continue to focus attention on the shipping problems of developing countries, particularly island countries concerned with safe and efficient maritime transport services and the protection of the marine environment. The Secretary-General of IMCO had transmitted to the Secretary-General of UNCTAD preliminary observations on several of the recommendations of the Group of Experts, with a request that the observations should be made available to the Board to facilitate its consideration of the Experts' report (TD/B/687).

ORGANIZATION OF WORK

13. The PRESIDENT reminded the Board of the proposal made at an earlier meeting by the Colombian representative, on behalf of the Group of 77, for the inclusion of a sub-item on copper under agenda item 5, and of the reservation made by the representative of the Federal Republic of Germany on behalf of Group B. In the light of the consultations he had held with the group co-ordinators, he proposed that the Board should request its Sessional Committee I to discuss the subject.

14. It was so agreed.

15. Mr. BIATU'a Tshiabola (Zaire) said that the question of copper deserved special attention, and he therefore appealed to the Board to agree to its inclusion as a separate sub-item.

16. Mr. MATTHIAS (Federal Republic of Germany), speaking on behalf of Group B countries members of the Board, said that the Group was fully prepared to discuss the question of copper in Sessional Committee I on the understanding that the matter would be discussed under agenda item 5 (a) together with other commodities of importance to the Group of 77.

The meeting rose at 12.50 p.m.